

State Procurement Office

OVERVIEW

Hawaii Public Procurement Code, **Chapter
103D, HRS**

and

Purchases of Health and Human Services,
Chapter 103F, HRS

State Procurement Office Organization

- Procurement Policy Board – 7 member board
- Administrator, State Procurement Office
- 18 Chief Procurement Officers (CPO)
 - ◆ Counties: Finance, Council, Water Supply
 - ◆ Legislature: House & Senate
 - ◆ Judiciary
 - ◆ Office of Hawaiian Affairs (OHA)
 - ◆ Department of Education (DOE)
 - ◆ Executive Departments
 - ▶ Administrator of SPO

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Procurement Delegation

- The Chief Procurement Officer (CPO) serves as the central procurement officer for its jurisdiction, and may delegate this authority.
- For Executive Branch departments, the CPO (Administrator of the SPO) has delegated procurement authority to each Department Head.
- Each Department Head may further delegate procurement authority.
- The written delegation by each Department Head is on file with the State Procurement Office.

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Hawaii Public Procurement Code (Ch. 103D)

- Shall apply to all procurements for the buying, purchasing, renting, leasing, or otherwise acquiring any good, services, or construction. Includes inventory management and surplus property management.

Purchases of Health and Human Services (Ch. 103F)

- Shall apply to contracts for direct services to communities, families, or individuals which are intended to maintain or improve health or social well-being.

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Chapter 103D, HRS

▶ Methods of Source Selection:

- ▶ Small Purchase
- ▶ Sole Source
- ▶ Emergency
- ▶ Competitive Sealed Bids
- ▶ Competitive Sealed Proposals
- ▶ Professional Services

▶ Exempt procurements

Chapter 103F, HRS

▶ Methods of Source Selection:

- ▶ Small Purchase
- ▶ Restrictive
- ▶ Crisis
- ▶ Competitive Proposals
- ▶ Treatment Purchases

▶ Exempt procurements

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Services Provided to Departments

- Purchasing:
 - ▶ Competitive Sealed Bidding (IFB)
 - ▶ Competitive Sealed Proposals (RFP)
 - ▶ Price/Vendor Lists, WSCA contracts
- Inventory Management
- Surplus Property
- Chapter 103F planning, guidance, policies and procurement
- Procurement Training
- Assistance on procurements related issues and questions

State Procurement Office Initiatives

- **Purchasing Card (pCard)**

- ▶▶ Increases efficiency for the state & business community
- ▶▶ Authorizes purchasing personnel to pay with a bank issued credit card
- ▶▶ Reduces the number of purchase orders issued and processed
- ▶▶ Vendor receives payment within days from the bank, rather than from the State within 30 days

- **eProcurement**

- ▶▶ Increases competition & transparency
- ▶▶ Automates the procurement system
- ▶▶ Collects comprehensive expenditure data
- ▶▶ Reduces the procurement cycle time
- ▶▶ Reduces the cost of procured goods and services

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“Stop-Look-Listen”

- Provide increased economy in procurement activities and maximize **best value** to the fullest extent practicable
- Ensure fair and equitable treatment of all persons who deal with procurement – vendors and purchasing agencies
- Foster competition
- Provide safeguards for the maintenance of a procurement system of quality and integrity
- Increase public confidence in the procurement processes

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“Trouble / Hot Spots”

- Exceeding small purchase threshold
- Small purchase parceling
- Using “emergency procurement” inappropriately
- Procurement should not be used to circumvent the personnel hiring process/procedures
- Avoid seeking after-the-fact approval
- Failing to provide adequate/appropriate disclosure

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Suggestions & Helpful Hints

- Ask for assistance
- Check with SPO
- Don't make it up as you go along
- Need training – just ask
- Be clear on what you are buying
- Uncertain if meeting procurement requirements, call to discuss or submit a draft for SPO review
- Don't use the procurement process to determine your needs; identify your needs first
- We're here to help and support your programs, not to block your efforts